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C O N F I D E N T I A L SECTION 01 OF 02 BAGHDAD 002345

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E.O. 12958: DECL: 07/14/2017 TAGS: <u>PGOV ECON PINR KDEM IZ</u>

SUBJECT: PRT TIKRIT: PC BEGINS BUDGET OVERSIGHT, WORKS ON

OWN LEGITIMACY

Classified By: PRT Lead Steven R. Buckler for reasons 1.4 (b) and (d)

11. (U) This is a PRT Tikrit, Salah ad Din cable.

- **12.** (C) SUMMARY. After noting the Salah ad Din (SaD) Provincial Council's (PC) shortcomings and questionable legitimacy in the province in a July 2 meeting, Acting PC Chair Nabeel Ismael has reinvigorated the PC. In the PC's first real demonstration of oversight of the Governor's execution of the 2007 budget, the PC held a meeting on July 5, where written financial reports on the province's budget were presented for the first time and the Directors General (DG) were counseled on their execution of projects. In a second meeting on July 8, the PC hosted representatives from the province's local councils in order to describe their role in oversight of budget execution and to address specific concerns. Although many SaD residents believe the PC and its members are highly corrupt, Nabeel's aggressive outreach plan, if continued, will do much to increase the PC's legitimacy in the province. SaD residents want to see that the provincial government is responding to their needs and giving them a forum to voice their opinions, and Nabeel's outreach will accomplish that. END SUMMARY.
- 13. (C) In a closed-door meeting with PRToffs on July 2, Deputy PC Chair Nabeel Ismael (Shia, Balad), who is the Acting Chair during Sheikh Rasheed Ossman's absence, said the "PC has lost its direction as a social and political representative of the people." (NOTE: Rasheed is reportedly on vacation, though many PC members speculate he will not be returning. They believe the reported arrest of the PC Chair from Ninewa for corruption has caused Sheikh Rasheed, who many believe to be very corrupt, to flee. END NOTE.) Nabeel said he realizes that many people throughout the province do not see the PC as a legitimate body and that the PC needs to improve its relationship with the local councils. He also said the PC needs to take a more active role in its responsibility to oversee the Governor's execution of the budget. He resolved that he would set up a series of meetings designed to improve the PC's communication with local councils and to take an active role in oversight of budget execution

Working on Budget Oversight

14. (C) On July 5, Nabeel called together the Governor, Deputy Governor, key PC members, and all of SaD's Directors General (DG) to discuss budget execution. At the meeting, Nabeel and other PC members reminded the Governor, Deputy Governor, and DGs of the PC's oversight responsibilities. For the first time in a public forum, a written accounting report was handed out and explained to inform the PC about the status of the province's financial affairs. Additionally, Assistant Governor for Provincial Affairs Qahtan Hamada Saleh reviewed the 2007 budget execution rules and counseled the DGs in the areas in which they needed to do better. Nabeel later sent a copy of CPA Order 71 on Local Governmental Powers to all of

the local councils in the province in order to inform them of the PC's authority over the DGs.

Reaching Out to the Local Councils

- 15. (C) At a July 8 meeting with the leadership of several of the local councils throughout the province, Nabeel and other key PC members described the local council's responsibility in oversight of budget execution and explained how the local councils should be involved in the creation of the 2008 budget. Qahtan also discussed the current status of budget execution and implored the councils for patience, as many of the projects were larger than the provincial and local engineers had handled before. The local council representatives were also given the opportunity to ask questions and address specific issues.
- 16. (C) The Governor and Deputy Governor later announced that at the end of the month they will host a meeting for all of the province's mayors in order to describe their role in the budget execution process.

Comment

17. (C) Under Rasheed, the PC had reached a plateau in its development. Rasheed was able to lead the PC through adoption of internal rules of procedures, but he was largely forced into the democratic reforms. Nabeel, on the other hand, has a vision for the PC and how it should interact with the province. His aggressive outreach plan, if continued, will do much to increase the PC's legitimacy in the province. Although many SaD residents see the PC and its members as

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highly corrupt, most simply want to see that the provincial government is responding to their needs and giving them a forum to voice their opinions, and Nabeel's outreach plan will accomplish that. END COMMENT.

18. (U) For additional reporting from PRT Tikrit, Salah ad Din, please see our SIPRNET Reporting Blog: http://www.intelink.sgov.gov/wiki/Tikrit CROCKER